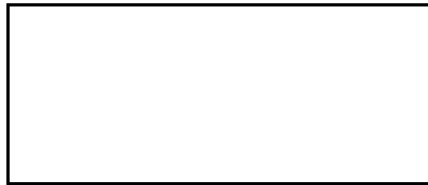


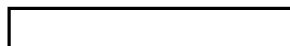
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DIA and DOS have no
objection to declassification
and release.

31 August 1959



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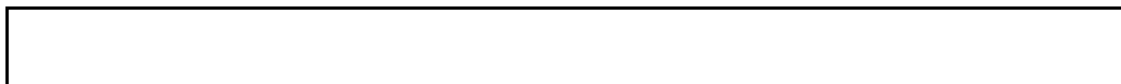
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CENTRAL INTELLIGENCE BULLETIN



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CENTRAL INTELLIGENCE BULLETIN

31 August 1959

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DAILY BRIEF

I. THE COMMUNIST BLOC

USSR - Nuclear tests: In response to the recent announcements by the United States and Britain extending the suspension of their nuclear tests beyond the original one-year period which expires on 31 October, the USSR announced on 28 August that it will not conduct any tests as long as the "Western powers" do not resume their tests. This announcement formalizes the pledge Khrushchev made in a letter published on 10 August to the leaders of the "European Federation for Atomic Disarmament" that the USSR is "ready to accept the most solemn obligation not to be the first to conduct any further tests of nuclear weapons." The USSR reaffirmed its insistence on a permanent and unconditional test ban, seeking to undercut and evade Western proposals for an atmospheric test ban and technical discussions on the problem of detecting underground tests.

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USSR-Algerian rebels: [A Soviet ship departed Tangier, Morocco, on 25 August with 96 Algerian rebel wounded for the USSR, where the wounded are to receive free medical treatment. The USSR has previously limited its open aid for the rebels to support in the United Nations and the provision of food and clothing to Algerian refugees in Morocco and Tunisia. The USSR continues to withhold recognition of the provisional Algerian government, as do the Eastern European satellites which have diplomatic relations with France.] (Page 1)

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OK
Communist China - India: No incidents along the Indo-Tibetan frontier have been reported since last week's clashes between Indian and Chinese border forces. The Indian outpost in Assam captured by the Chinese on 26 August apparently has not yet been retaken. Indian Army units in the northeast frontier region are being moved to more advanced positions, but for the present will not be deployed on the border itself. Peiping has declined immediate comment on Nehru's 28 August statement detailing Chinese border incursions. There is no evidence of Chinese Communist military movements in the border region. Press reaction critical of Peiping, reported from the Arab states and Ceylon, probably will spread soon to other Asian areas.

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II. ASIA-AFRICA

OK
Thailand: [Grumbling within the ruling military group over Premier Sarit's alleged failure to consult it or to consider its interests appears to be increasing. The latest to express dissatisfaction is the commander of the key First Infantry Division in Bangkok. Although he claims steps will be taken in "the foreseeable future" to rid the country of "the Sarit-type operation," malcontents within the military group appear at present to lack a leader strong enough to challenge Sarit.]

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DAILY BRIEF

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No
Indonesia: [A Sumatran dissident leader has reportedly threatened to sabotage Shell Oil Company installations in South Sumatra if the company does not comply with a dissident request for financial help. The dissidents are said to be planning to exploit allegedly rising popular unrest to launch an offensive against oil fields in the Palembang area and claim they can rely on the support of 50 percent of the central government troops in South Sumatra; the troops are said to be disaffected as a result of the recent currency devaluation. In the past, there has been no serious rebel attempt to sabotage oil operations.]

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OK
Japan: Several prominent anti-Kishi Japanese conservative leaders have arranged to be invited by Peiping to visit Communist China during the next two months. Their invitations appear designed by both Peiping and the politicians themselves to weaken Prime Minister Kishi. The visits seem likely to cause new pressures on Kishi to relax his policy of firmness in dealing with Peiping on the question of restoring trade and other relations. The proposed trips are also provoking controversy in the governing Liberal-Democratic party at a time when the prime minister is already facing party difficulties over revision of the US-Japan security treaty, and Japanese Foreign Ministry officials view the development as "most difficult" for both Japan and Kishi.

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III. THE WEST

No
France: [De Gaulle told the French cabinet on 26 August he was preparing to find a solution for Algeria which would satisfy "reasonable" and loyal Frenchmen "without disregarding those who are fighting for France." His recent statements to officers in Algeria that the rebels must be subdued before Algeria's political future can be decided are variously interpreted in the French press to mean he feels the moment is not yet ripe for a political move, or that he wants to reassure the army it will not be sold]

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DAILY BRIEF

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[out as a result of a settlement by the politicians. Finance Minister Pinay says De Gaulle still fears the army, and General Petit, Premier Debré's military adviser, believes that key younger officers in Algeria have a 'national-socialist' mentality and favor neither De Gaulle nor a liberal policy for Algeria.]

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DAILY BRIEF

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I. THE COMMUNIST BLOC

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USSR Accepts Algerian Rebel Wounded for Treatment

[The USSR has honored its offer made earlier this year to the Algerian rebels to accept their wounded for treatment at Soviet hospitals. On 24 August the Soviet passenger ship Pobeda arrived at Tangier, Morocco, where it was met by a 12-man delegation from the Soviet Embassy in Rabat. The Pobeda, staffed by two Soviet doctors and a number of nurses, loaded 96 rebel wounded--four were left behind because of lack of documentation--and on 25 August left for Odessa, where the wounded are to receive medical treatment.]

[The rebel wounded had been assembled in Tangier since April awaiting completion of travel arrangements to the bloc. The USSR is reported to have stalled on making final arrangements for transportation; the responsible rebel officer threatened in late July to arrange other accommodations for the wounded unless Moscow made good on its promise by mid-August.]

[The USSR has in past years voted on the rebel side when the Algerian issue was considered in the UN General Assembly. Moscow is also known previously to have given assistance in the form of clothing and food supplies to Algerian refugees in Morocco and Tunisia through the Red Crescent organization. Transportation of rebel wounded by Soviet ship for treatment in the USSR, however, is the Soviet Union's most direct involvement on the side of the rebels to date.)

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Discontent Reported Increasing in Ruling Thai Military Group

[Grumbling within the ruling Thai military group over the leadership of Premier Sarit appears to be increasing. Complaints being increasingly voiced against Sarit include his failure to consult the military, the real basis of his power, on important policy matters; his reliance on civilian advisers and opposition leaders for guidance in planning his ambitious programs; a recent cut in the defense budget; and his alleged failure to provide satisfactory recompense to second-echelon officers for their support of his regime.]

[The latest important leader to express dissatisfaction with Sarit's actions is Lt. Gen. Krit Sriwara, the commander of the key First Infantry Division in Bangkok, a unit whose active cooperation would probably be essential for a successful coup attempt. He recently told the American army attaché in Bangkok that the political situation had deteriorated since early August and that some members of the military group are seriously consulting on ways to curb Sarit. Krit intimated that "something" would be done in "the foreseeable future" to rid Thailand of "the Sarit-type operation."]

[Malcontents within the military group do not appear at present to possess a leader willing and strong enough to challenge Sarit, a resourceful and ruthless politician. The likelihood of a coup attempt might be increased if Sarit's health improves enough that it is apparent he will be able to stay on the job for an extended period. Disaffected elements within the military group until now have probably bided their time in the expectation that Sarit's serious liver ailment would soon remove him from the scene.]

[Any successful coup group would probably call on Deputy Premier Thanom to form a new government, even though he would be unlikely to be an active participant in a coup attempt. Thanom, while not a strong leader, is universally respected in the armed forces and would make an ideal front man for such a group. While apparently still loyal to Sarit, Thanom has serious reservations about the marshal's performance as premier and has had some bitter policy arguments with him. A more remote possibility as new premier in the event of a coup would be former Premier Phibun, now in exile in Tokyo.]

Prominent Japanese Politicians Plan Visits to Communist China

The visits which several prominent Japanese politicians have arranged to make to Communist China during the next two months probably are designed to weaken Prime Minister Kishi's position as well as explore the possibilities for improving trade and other relations between Tokyo and Peiping. All the invited men are members of factions in the government party which are opposed to Prime Minister Kishi and which received only a few posts in the recent cabinet and party reshuffle. Each undoubtedly hopes his discussions with Communist Chinese leaders may find a possible basis for the restoration of trade relations that he could exploit on his return to Japan.

The question of relations with mainland China, while now relatively quiescent, is a potentially important issue in domestic politics since most Japanese believe they would benefit economically and culturally from closer relations with Peiping.

Former Prime Minister Tanzan Ishibashi intends to visit Communist China next month at the invitation of Premier Chou En-lai, and former Minister of Education Kenzo Matsumura is expected to follow with a trip in October. Influential Liberal-Democratic party leader Ichiro Kono has announced he will go to Moscow in October and may also visit Peiping. Factional leader Takeo Miki may also have been invited.

While Ishibashi and Matsumura are unlikely to accede to Peiping's extreme demands, Kishi and some of his close supporters have indicated concern over the trips. The visits are also likely to stir up new demands in Japan for a relaxation of Kishi's firm policy toward Peiping.

Peiping has thus far failed to soften its demands for political concessions and a reorientation of Japan's foreign policy as the price for resuming trade. Nevertheless, Chinese Communist hostility has been directed primarily at Kishi, and the American Embassy in Tokyo believes Kishi will be in "real trouble" if the visitors return with an offer from Peiping to end the trade embargo.

III. THE WEST

De Gaulle Readying Algerian Policy

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President de Gaulle told the French cabinet on 26 August that the time had come to tackle the nub of the problem in Africa and Algeria, [redacted] De Gaulle said he was preparing to find a solution which could satisfy "reasonable" and loyal Frenchmen "without disregarding those who are fighting for France." [redacted] expressed the opinion that De Gaulle is far more liberal than 90 percent of his compatriots. [redacted] expects him to emphasize to President Eisenhower that Algeria is a long-range problem and that while a course of action can be initiated now, it will take years for it to be successful.]

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De Gaulle [redacted] planned a public statement on Algeria before the UN General Assembly opens on 15 September. The tenor of his speech will probably be outlined to President Eisenhower, and to the Council of the French Community on 10 September, when a move may be initiated to offer Community status to Algeria.]

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In any event, army sensibilities will be given careful consideration. [redacted] believes De Gaulle is still fearful of the army's attitude, and [redacted] feels that the army in Algeria, particularly the colonels, majors, and captains, will not accept a proposal which would call for a vote on the question of independence. He believes the younger officers, rather than the generals, are the key figures, and he considers them neither pro-De Gaulle nor pro-liberal Algerian policy. De Gaulle took pains to stress, on his recent tour of Algerian military installations, that the rebels must be subdued before there can be any political decisions on Algeria's future. He re-emphasized that the Algerians must decide for themselves after pacification has ended, and warned that this may take a long time. The press speculates that his tour may have persuaded him that the moment is not yet ripe for a political move on Algeria, or, on the other hand, that he has been reassuring the army that it would not be sold out as a result of a settlement by the politicians.] [redacted]

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Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Office of Defense and Civilian Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Economic Affairs

The Deputy Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

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Director for Intelligence, The Joint Staff

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